



12650 DETROIT AVENUE • 44107 • 216/521-7580 • fax 216/521-1379
Website: www.onelakewood.com

MICHAEL SUMMERS
MAYOR

September 16, 2019

Dear Members of Council,

I and a working group have continued to make progress to understand the strategic options and ramifications regarding the conversion of Cove Church to our new multi-generational community center. We had hoped to have a clear recommendation at this juncture. However, the importance and scope of the project require more extensive analysis and strategic review. I know we all believe that we should take the long-term, second-century view and do this right.

However, we have created a foundational understanding that allows us to make broad recommendations to begin the process for ultimate decision-making by the mayor and City Council, likely the next mayor and City Council.

FIT Analysis

Space use Assumptions we can make today:

1. Existing Office on Aging, Youth and Early Childhood programs fit well into the existing Cove Church space.
2. Additional space- 2000 square feet (s.f) to 5000 s.f is available for additional programming while all three existing programs are operating simultaneously.
3. Flexible shared space of 10,000 s.f. is available off hours or while only one of the existing programs is operating.
4. All the space is available for community use in the evenings.

Cost assumptions we can make today:

1. **Rehabilitation costs from three different sources range from \$2,840,000 to \$4,098,000**
 - a. Certain contingencies raise these costs and require more analysis
 - i. Roof replacement
 - ii. Fire suppression
 - iii. HVAC/energy use
 - iv. Hazardous material abatement
 - v. Occupancy costs
 - vi. Foundation repair estimates
2. New build estimates range from \$6,032,000 to \$6,937,000
 - a. The comparison of costs between new build and adaptive reuse narrows because of the unknown contingencies
 - b. Further work is required to address the uncertainty of the contingencies.



Financing Assumptions

1. \$3.5 million exists in the Land Acquisition fund.
2. Additional millions exist in the Lakewood Hospital fund
3. Some CDBG funding is available.
4. Efforts will be made to seek additional funding from State and foundation sources.
5. We should consider the ramifications of our existing Real Estate holdings for potential sale. This includes:
 - a. The Community Health Center at 1450 Belle
 - b. The nine houses on Belle and St. Charles
 - c. The existing Lawther Center on Northland & Madison
 - d. The Hilliard Theater site
 - e. The Youth Offices on Madison (across from Madison park)
6. It is very important that we use our cash resources to fund this project versus adding debt. The City debt capacity must be reserved for future Clean Water Act Compliance.

Recommendations and next steps

My hope was to have been further along in our goal to make a clear recommendation to City Council by this date. My preference is to choose the adaptive reuse of the existing Cove Church. The information we have acquired thus far makes it premature to make such a clear recommendation.

However, we do know enough to **begin** to seek a design build partner. This process is lengthy and complex. The process will help lessen the uncertainties.

At a minimum, we recommend that City Council ultimately approve a resolution by the end of this year (2019) to send out a Request for Qualifications (RFQ) that will include the following:

1. Describe the intended project goals and outcomes in as much detail as possible
2. Project budget
3. Project delivery and design build responsibilities
4. Expertise and related project experience
5. Decision making process by the City to select the Design Build partner

It is possible that our analysis and discussions may allow us to accelerate our time-line to send out the RFQ and recommend a preferred Design Build partner by the end of this year. But, This project is very important and timely. We must take the appropriate time to make the best decision.

I ask City Council to refer this letter to an appropriate committee for ongoing discussion.

Respectfully,

A handwritten signature in black ink, reading "Michael P. Summers". The signature is written in a cursive, flowing style.

Michael P. Summers